



# Barber Tax Service

Personal Tax Returns ■ Business Tax Returns ■ Small Business Accounting

Dear Client,

We wish you and your family a happy and prosperous 2019. We would like to thank all of our clients for their continued support and loyalty. We appreciate your business and enjoy working with and assisting you with your tax returns. We love referrals, so if you have friends or neighbors who need assistance with their tax returns let them know about us and we would be happy to serve them. We will thank you with \$20 off of your next tax related service when they become a new client. Tina, Ben and Brad will serve the Salt Lake area clients. Brad continues to cutback the number of clients he personally meets with as he moved towards retirement. All clients will continue to receive the same personal service from the other members of our professional tax team.

IRS will begin accepting tax returns electronically on January 28<sup>th</sup>. When you have all your tax documents ready you can either scan and email them, send through our secure file transfer on our website, drop them off, or set up an appointment. We can prepare your return and have it ready to file as soon as possible. As a reminder, you can go over any of the information in this letter and get another copy of the tax data sheet if needed, on our website: [www.barbertaxservice.com](http://www.barbertaxservice.com).

Please utilize the enclosed Data Sheet as we believe it will help you prepare for your appointment and ensure that your return is prepared accurately.

If you have retired or are planning for retirement in the coming year, please let your tax preparer know. There may be unique circumstances that we can help you address.

We look forward to seeing you and assisting you with your tax returns again this year.

Sincerely,

Barber Tax Service Team

*Tina Hess*

*Ben Clifford*

*Brad Barber*

Tina Hess

Ben Clifford

Brad Barber

Hours:

Monday – Friday 9:00 AM – 5:00 PM

Saturday – By Appointment

1733 S. 1100 E. Suite 100  
SLC, UT 84105  
Phone: (801) 487-9631  
Fax: (801)  
Email: [barbertax@comcast.net](mailto:barbertax@comcast.net)

## Tax Law Changes for 2018 Tax Year:

- The personal exemption is no longer available.
- Child Tax Credit is being doubled and phase out thresholds have been significantly raised.
- IRA and ROTH deductions remain \$5,500 and \$6,500 for those over age 50.
- The standard mileage rate for business travel is 54.5 cents. Medical mileage is 18 cents. The charitable rate remains at 14 cents per mile.
- The deduction for Mortgage Insurance premiums has again been extended. This would apply only to new mortgages taken out after December 31, 2016
- Student loan interest is still deductible up to a maximum of \$2,500.00
- The American Opportunity credit has been made permanent for the first 4 years of college, up to \$2,500 per student. Lifetime learning credit per return is \$2,000.
- The Kiddie Tax is still in effect for children under age 19. If you have dependent children under 19 years old with interest and dividend income not in an education account, please bring that information
- Capital Gains are not taxed again this year if your taxable income is less than \$77,400 MFJ, \$38,700 Single.
- Moving expenses are no longer available.

### Standard Deduction:

Single: \$12,000                      Head of House: \$18,000                      MFJ: \$24,000  
 Additional over 65 or blind: \$1,300 per person

### Schedule A – Itemized:

No phase out on itemized deductions for taxpayers with high AGIs for 2018 to 2025.

**Medical:** floor is 7.5% of AGI but for 2019 tax year and beyond it will be 10%

**Deductible taxes:** property, sales, and state income but limited to \$10,000 for MFJ, S, and HH. If you are MFS your limit is \$5,000.

**Deductible Mortgage Interest:** interest on loans up to \$750,000 or (\$375,000 for MFS) on loans contracted after December 14, 2017. (The \$1 million limit still applies to loans contracted before Dec. 14, 2017 and closed by April 1 2018). Home Equity loan interest for improvements to home are deductible.

*Refinance mortgage loans* – you can deduct the interest but only if the refinanced amount isn't greater than your old loan balance.

**Casualty and Theft Losses:** only deductible if you live in a federally declared disaster.

**Charity:** Limit raised to 60% of AGI. No deduction for contributions to a college or university in exchange for athletic event seating rights.

**Miscellaneous expenses:** All eliminated (tax, prep fees, investment advisory fees, unreimbursed work expenses, job search expenses, and investment expense).

**Gambling Losses:** cannot exceed gambling winnings

	2017	2018-2025
<b>AMT exemption, single</b>	\$54,300 exemption	\$70,300 exemption
<b>AMT exemption, MFJ</b>	\$84,500 exemption	\$109,400 exemption
<b>Itemized deduction phase out, single</b>	Started at \$261,500	Eliminated
<b>Itemized deduction phase out, MFJ</b>	Started at \$313,800	Eliminated
<b>529 education savings</b>	Qualified higher education expenses	Expanded to include up to \$10,000 in K-12 tuition per beneficiary per year



Personal Tax Returns ■ Business Tax Returns ■ Small Business Accounting

1733 S. 1100 E. Suite 100  
SLC, UT 84105  
Phone: (801) 487-9631  
Fax: (801)  
Email: [barbertax@comcast.net](mailto:barbertax@comcast.net)